

**ORIGINAL**

2300 Paohi Tower  
1003 Bishop Street  
Honolulu, HI 96813  
Phone 808.524.5644  
Fax 808.599.1881  
info@bhhawaii.net

*A Law Corporation*

## **Bronster Hoshibata**

ATTORNEYS AT LAW

[XX] Via Hand Delivery

March 17, 2010

The Honorable Chairman and Members of the  
Hawaii Public Utilities Commission  
Kekuanaoa Building  
465 South King Street, Room 103  
Honolulu, Hawaii 96813  
Attn: Michael Azama, Esq.

FILED  
2010 MAR 17 A 11:21  
PUBLIC UTILITIES  
COMMISSION

Re: Docket No. 2009-0048 - Molokai Public Utilities, Inc. ("MPU")

Dear Chairman, Commissioners, and Commission Staff:

Pursuant to the Stipulated Regulatory Schedule attached to the Order Approving Proposed Procedural Order, as modified, filed November 6, 2009, the County of Maui submits its Response to Molokai Public Utilities, Inc.'s Statement of Probable Entitlement, filed March 10, 2010.

The County respectfully submits that the Commission should not grant Molokai Public Utilities, Inc. ("MPU") interim relief because MPU has not met its burden of proving that it is "probably entitled" to the relief requested in its rate application filed January 29, 2009. The record developed thus far indicates that there are numerous disputed issues that prevent the Commission from granting MPU interim relief. Those issues include the issues raised by the County of Maui, the Consumer Advocate and West Molokai Association in their respective Statements of Probable Entitlement filed March 10, 2010.

MPU argues it is entitled to interim relief and claims that based on the evidentiary record, MPU has met its burden of proving it is "probably entitled" to the rate relief requested. MPU's statements, however, are merely conclusory

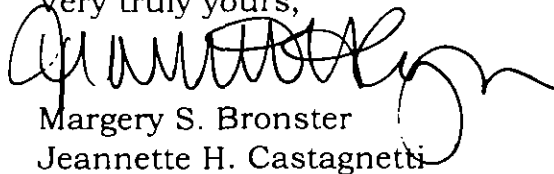
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and do not adequately address the disputed issues concerning discrepancies between its accounting and tax records, water loss issues, and excessive capacity caused by MPU's parent company's withdrawal of its business operations on Molokai.

In addition, the Commission should require MPU to provide information and adjust its analysis based on the recent arbitration decision ordering an affiliated company (Kaluakoi Poolside) to re-open and maintain common areas and the swimming pool located at the Hotel. *See Exhibit A attached to the County's Statement of Probable Entitlement.*

Accordingly, the County submits MPU is not entitled to interim relief because disputed issues exist and MPU has failed to demonstrate it is probably entitled to the permanent rate relief requested.

Very truly yours,



Margery S. Bronster  
Jeannette H. Castagnetti

Brian T. Moto  
Jane E. Lovell

Attorneys for the County of Maui

cc: Michael H. Lau, Esq./Yvonne Y. Izu, Esq.  
Consumer Advocate  
Andrew V. Beaman, Esq.  
William W. Milks, Esq.